

# HOUSE BILL No. 1555

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 14-8-2; IC 14-37; IC 32-23-7.

**Synopsis:** Coal bed methane property. Requires the natural resources commission to: (1) regulate coal bed methane wells; (2) establish alternative spacing, unit, and bonding requirements for coal bed methane wells and coal mine methane wells; and (3) adopt rules to regulate coal bed methane production. Redefines a commercially minable coal resource for purposes of oil and gas drilling statutes, and allows an owner or lessee of coal to file an affidavit identifying a commercially minable coal resource. Provides for regulation of coal bed methane wells and other gas wells in a similar manner. Adjusts notice requirements with respect to logging on oil and gas land. Allows an owner or operator of a coal mine to burn by flares coal bed methane under certain circumstances. Provides for the establishment of an estate in land with respect to coal bed methane comparable to an estate that may be established under current law with respect to oil and gas. Limits the exercise of rights in certain circumstances under a coal bed methane estate if the exercise affects miner safety or coal resources. Establishes relative rights between a coal estate in land and a coal bed methane estate in land. Provides that certain oil and gas statutes do not apply to methane ventilation governed under an approved federal Mine Safety and Health Administration coal mine ventilation plan. Requires the division of oil and gas to post on its web site each oil, gas, or coal bed methane permit application. Prohibits the division from issuing a permit less than 14 days after the posting.

**Effective:** July 1, 2009.

## Battles

January 16, 2009, read first time and referred to Committee on Commerce, Energy, Technology and Utilities.

C  
o  
p  
y



First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## HOUSE BILL No. 1555

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 14-8-2-42.2 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2009]: **Sec. 42.2. "Coal bed methane", for purposes of this**  
4 **chapter, IC 14-37-3-14.5, and IC 14-37-11-3 means gaseous**  
5 **substances of whatever character lying within or emanating from:**

6 (1) **unmined coal seams, either naturally or as a result of**  
7 **stimulation of the coal seam;**

8 (2) **the void created by mining out coal seams; or**

9 (3) **the gob created by longwall or other extraction methods of**  
10 **coal mining.**

11 SECTION 2. IC 14-8-2-47 IS AMENDED TO READ AS  
12 FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 47. (a) "Commercially**  
13 **minable coal resource", for purposes of IC 14-37, means a seam of coal**  
14 **that:**

15 (1) **can be mined using generally accepted underground**  
16 **practices and suitable equipment; and**

17 (2) **consists of coal in sufficient quantities and of sufficient**

C  
o  
p  
y



quality to be commercially saleable.

(b) The term includes a seam of coal to which one (1) or more of the following applies:

(1) The seam is:

(A) associated with an underground mine permitted under IC 14-34; and

(B) specifically intended to be mined under the permit.

(2) The seam is associated with an inactive underground mining operation at which mining operations:

(A) have temporarily ceased; and

(B) are anticipated to be resumed by the person with the right to develop the seam.

(3) The seam is identified by a map as a commercially minable coal resource by the owner or lessee of the seam in an affidavit that:

(A) is filed with the division of reclamation under IC 14-37-7-8; and

(B) states that the coal in the seam is being held for later commercial production.

(4) The seam is:

(A) not a seam to which subdivision (1), (2), or (3) applies; and

(B) verified by a professional geologist licensed under IC 25-17.6 or a professional engineer licensed under IC 25-31 to be:

~~(1)~~ (i) at least ~~thirty-six (36)~~ **thirty (30)** inches thick; and

~~(2)~~ (ii) located not more than ~~eight thousand two hundred (8000)~~ **(1,200)** feet below the surface.

SECTION 3. IC 14-8-2-317 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 317. "Well for oil and gas purposes", for purposes of IC 14-37, means a hole drilled, deepened, or converted for any purpose for which a permit is required under IC 14-37. The term includes the following:

(1) An oil ~~or a natural gas~~ well.

**(2) A natural gas well.**

**(3) A coal bed methane well.**

~~(2)~~ **(4)** A Class II well.

~~(3)~~ **(5)** A structure test well.

~~(4)~~ **(6)** A well used for the sole purpose of supplying water for the secondary recovery of petroleum resources.

~~(5)~~ **(7)** An underground gas storage well or underground gas storage observation well.

C  
o  
p  
y



SECTION 4. IC 14-37-1-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 5. This article does not apply to methane ventilation governed under an approved federal Mine Safety and Health Administration coal mine ventilation plan.**

SECTION 5. IC 14-37-3-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 14.5. The commission shall:**

(1) regulate coal bed methane wells and compliance with IC 32-23-7-10 and IC 32-23-7-11; and

(2) establish alternative spacing, unit, and bonding requirements for coal bed methane wells.

SECTION 6. IC 14-37-4-1, AS AMENDED BY P.L.80-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 1. A person may not drill, deepen, operate, or convert a well for oil and gas purposes of any of the following without a permit issued by the department:**

(1) Oil.

(2) Gas.

(3) Coal bed methane.

SECTION 7. IC 14-37-4-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 8. (a) Except as provided in section 9 of this chapter and subject to subsection (b), if an applicant for a permit complies with:**

(1) this article; and

(2) the rules adopted under this article;

the commission shall issue a permit.

**(b) The division of oil and gas shall post on the web site maintained by the division of oil and gas each complete permit application under this chapter with respect to oil, gas, or coal bed methane. The posting must include at least the following:**

(1) The location, type, and depth of each proposed well.

(2) The coal seam affected by each proposed coal bed methane well.

**(c) The division of oil and gas may not issue a permit under this chapter less than fourteen (14) days after the posting of the permit application under subsection (b).**

SECTION 8. IC 14-37-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 4. (a) If a well is drilled and completed as a producing well:**

(1) through a commercially minable coal resource; ~~and or~~

(2) within an area:

C  
o  
p  
y



1 (A) for which a mine plan map is filed with the commission  
2 ~~but~~ under section 8 of this chapter; and  
3 (B) for which an intermediate string is not required under  
4 section 3 of this chapter;  
5 an owner or operator shall set a production string of casing properly  
6 centralized and cemented and documented by a sonic cement  
7 bond-variable density log.  
8 (b) Before beginning logging operations under this section, an  
9 owner or operator must provide at least forty-eight (48) hours notice to  
10 ~~the~~ all of the following:  
11 (1) The department. and  
12 (2) The person who filed the mine plan before commencing  
13 logging operations under this section:  
14 a map under subsection (a)(2).  
15 (3) The owner or lessee of the commercially minable coal  
16 resource.  
17 (4) Any person identified as either or both of the following:  
18 (A) The owner of the coal.  
19 (B) An owner of coal in an area targeted for later  
20 commercial production under section 8 of this chapter.  
21 (c) ~~The~~ Each person who filed the mine plan entitled to notice  
22 under subsection (b)(2), (b)(3), or (b)(4) is entitled to:  
23 (1) be present during the logging operations; and  
24 (2) examine the log.  
25 (d) The commission shall determine the adequacy of cement  
26 bonding. If there is a bonding failure between fifty (50) feet below and  
27 one hundred (100) feet above the commercially minable coal resource,  
28 the owner or operator shall perform remedial action, as ordered by the  
29 commission, that results in adequate bonding.  
30 (e) Not later than thirty (30) days after commencing logging  
31 operations, the owner or operator shall provide a copy of the sonic  
32 cement bond-variable density log to:  
33 (1) the department; and ~~the~~  
34 (2) each person who filed the mine plan with a copy of the sonic  
35 cement bond-variable density log. entitled to notice under  
36 subsection (b)(2), (b)(3), or (b)(4).  
37 (f) Preparation of the log and any remedial action required under  
38 this section are at the expense of the owner or operator.  
39 SECTION 9. IC 14-37-7-8 IS ADDED TO THE INDIANA CODE  
40 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
41 1, 2009]: Sec. 8. (a) The owner or lessee of coal may file with the  
42 division of reclamation an affidavit identifying by map:

C  
o  
p  
y



(1) coal that the owner or lessee holds for later commercial production; or

(2) coal that is in an area targeted by the owner or lessee for later commercial production.

(b) All coal in an area designated under subsection (a) is considered a commercially minable coal resource.

(c) An affidavit referred to in subsection (a) may be made before applying for permits for the actual mining of the commercially minable coal resource. The division of reclamation shall:

(1) keep the affidavit and map confidential; and

(2) use the affidavit and map solely for determining if a commercially minable coal resource is present in an area for which a permit application has been filed under IC 14-37.

(d) Upon receipt of a permit application referred to in subsection (c)(2), the division shall request the division of reclamation to determine if the proposed well location is in an area underlain by coal identified in subsection (a).

(e) The division of reclamation shall report its determination under subsection (d) in writing to the division.

SECTION 10. IC 14-37-11-3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 3. The owner or operator of a coal mine may burn in flares the coal bed methane produced from a coal bed methane well if either or both of the following apply:**

(1) The burning is necessary to protect coal miners' safety.

(2) It is not economical to market the coal bed methane.

SECTION 11. IC 32-23-7-0.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.3. As used in this chapter, "coal bed methane" has the meaning set forth in IC 14-8-2-42.2.**

SECTION 12. IC 32-23-7-0.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.4. (a) As used in this chapter, "coal bed methane estate in land" means the aggregate of all rights in land that affect the coal bed methane:**

(1) in the land;

(2) on the land;

(3) under the land; or

(4) that may be taken from beneath the surface of the land.

(b) The term includes the following:

(1) The right to produce, sell, use, ventilate, waste, and otherwise affect coal bed methane in connection with coal

C  
o  
p  
y



mining or preparation for coal mining.

(2) The right to produce coal bed methane for commercial use or sale.

(3) The appurtenant right to use the surface overlying the coal bed methane for coal bed methane operations.

SECTION 13. IC 32-23-7-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.5. (a) As used in this chapter, "coal bed methane production area" means the area of land determined by the operator in which multiple wells are drilled for a common production purpose.**

**(b) A coal bed methane production area need not be part of a unit or other area in which production is pooled.**

SECTION 14. IC 32-23-7-0.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.6. (a) As used in this chapter, "coal estate in land" means the total of all rights in land that affect the coal:**

**(1) in the land;**

**(2) on the land;**

**(3) under the land; or**

**(4) that may be taken from beneath the surface of the land.**

**(b) The term includes the following:**

**(1) The right to produce, sell, use, waste, and otherwise impact coal in connection with coal mining or preparation for coal mining.**

**(2) The right to produce coal for commercial use or sale.**

**(3) The appurtenant right to use the surface overlying the coal for coal operations.**

SECTION 15. IC 32-23-7-0.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 0.8. As used in this chapter, "commercially minable coal resource" has the meaning set forth in IC 14-8-2-47.**

SECTION 16. IC 32-23-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 1. (a) As used in this chapter, "oil and gas" means petroleum and mineral oils and gaseous substances of whatever character naturally lying or found beneath the surface of land.**

**(b) The term does not include coal bed methane.**

SECTION 17. IC 32-23-7-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

C  
o  
p  
y



[EFFECTIVE JULY 1, 2009]: **Sec. 2.5. As used in this chapter, "operations for coal bed methane", unless otherwise indicated by the context of this chapter, means:**

**(1) the exploration, surveying, or testing of land for coal bed methane;**

**(2) other investigation of the potential of land for coal bed methane production;**

**(3) the actual drilling or preparation for drilling of wells for coal bed methane;**

**(4) the stimulation of coal bed methane production by hydrofracturing or otherwise;**

**(5) the collection and transportation by pipeline of coal bed methane from:**

**(A) the land; or**

**(B) nearby land that is a part of a coal bed methane production area that includes the land; or**

**(6) any other actions directed toward the eventual production or attempted production of coal bed methane from the land.**

SECTION 18. IC 32-23-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 4. (a) As used in this chapter, "person in interest" means:**

**(1) if used in reference to an oil and gas estate in land, the owner of a beneficial interest in the oil and gas estate in land; or**

**(2) if used in reference to coal bed methane, the owner of a beneficial interest in the coal bed methane estate in land;**

whether the interest is held for life, for a term of years, or in fee.

**(b)** The term includes a lessee, licensee, or duly qualified agent of the owner.

**(c)** The term does not include a mortgagee or security assignee of the owner if the mortgagee or security assignee does not have a right to the control or operation of the premises for:

**(1) if used in reference to an oil and gas estate in land, oil and gas; or**

**(2) if used in reference to coal bed methane, coal bed methane.**

SECTION 19. IC 32-23-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7. (a) This section applies to the following:**

**(1) Interests in oil and gas.**

**(2) Interests in coal bed methane.**

**(a) Interests in the oil and gas (b) An interest referred to in subsection (a) in, on, under, or that may be taken from beneath the surface of land located in Indiana may be created:**

C  
o  
p  
y



(1) for life;  
 (2) for a term of years; or  
 (3) in fee;  
 in the manner and to the extent that other interests in real estate and title are created.

~~(b)~~ (c) Title to the estates specified under subsection ~~(a)~~ (b) may be vested in one (1) or more persons by:

- (1) sole ownership;
- (2) tenancy in common;
- (3) joint tenancy;
- (4) tenancy by the entireties; or
- (5) another manner recognized under Indiana law.

~~(c)~~ (d) Interests or estates specified in this section are freely alienable, in whole or in part, in the same manner as are other interests in real estate.

SECTION 20. IC 32-23-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8. (a) This chapter does not limit the rights of parties to contract with regard to ~~the an~~ oil and gas estate affecting lands in Indiana:

- (1) to the extent permitted by; and
  - (2) in a manner consistent with;
- the nature of the estate in law as specified under this chapter.

(b) This chapter ~~is intended to declare~~ **declares** the law of ~~this the~~ state with regard to the ~~subject matter treated in this chapter~~ **rights of parties to contract concerning the oil and gas estate affecting lands in Indiana** as the law existed before March 5, 1951.

(c) This chapter does not affect the rights or powers of any commission, board, or authority duly constituted for the regulation of the oil and gas industry in Indiana.

SECTION 21. IC 32-23-7-9 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) **Except as provided in sections 10 and 11 of this chapter, a grant or reservation contained in an instrument that affects land in Indiana and that purports to convey or transfer an interest in the coal or the coal bed methane in, on, under, or that may be produced from beneath the surface of the land transfers the following expressed rights and privileges in addition to any other rights naturally flowing from the character of the instrument in law to the named recipient:**

- (1) **A person in interest in the coal bed methane in land may enter the land for the purpose of:**
  - (A) **exploring, prospecting, testing, surveying, or otherwise**

C  
O  
P  
Y



investigating the land to determine the potential of the land  
for coal bed methane production; or

(B) otherwise conducting operations for coal bed methane  
on the land;

whether or not the person is also the owner, lessee, or licensee  
of an owner of an interest in the surface rights in the land.

(2) A person in interest in the coal bed methane estate in land  
in Indiana may enter the land to drill a well or test a well on  
the land for the production or attempted production of coal  
bed methane regardless of whether the:

(A) person is also the owner, lessee, or licensee of an owner  
of an interest in the surface rights in the land; and

(B) owner of the remaining rights in the land consents to  
the entrance and drilling.

A person that drills a well under this subdivision shall provide  
an accounting to the remaining or nonparticipating persons  
in interest in the coal bed methane estate in the land, for their  
respective proportionate shares of the net profits arising from  
the operations conducted upon the land for coal bed methane.  
In calculating the profits, a reduction may not be made from  
the gross proceeds of the production of coal bed methane,  
except for expenses that are reasonably or necessarily  
incurred in connection with the drilling, completion,  
equipping, and operation of the wells drilled upon the  
premises during the period in which the relationship of  
cotenancy existed between the person drilling the well and the  
person whose interest is sought to be charged with the  
respective proportionate part of the cost of the drilling.

(3) A person who may enter and enters land in Indiana for the  
purpose of exploring, prospecting, testing, surveying, or  
otherwise investigating the potential of the land for coal bed  
methane, or for the purpose of conducting operations on the  
land for the production of coal bed methane, is accountable  
for the actual damage resulting from the person's activities on  
the land to:

(A) the surface of the land;

(B) improvements to the land; or

(C) growing crops on the land.

However, a person who enters land under this subdivision is  
not liable for punitive damages. This subdivision does not  
increase damages between a lessor and a lessee in a valid and  
subsisting coal bed methane lease that specifies damages if

C  
o  
p  
y



damages are not due other than damages that are expressly provided by contract between cotenants or the lessees of cotenants of a like estate in the land. This section does not authorize the location of a well for coal bed methane nearer than two hundred (200) feet to an existing house, barn, or other structure (except fences) without the express consent of the owner of the structure.

(4) The right to conduct operations for coal bed methane upon land located in Indiana includes the right to:

(A) install and maintain physical equipment on the land; and

(B) use the part of the surface of the land that is reasonably necessary for the operations for coal bed methane;

subject to the payment of damages resulting from the installation only of the equipment specified in this subdivision.

(b) A conveyance, will, or other document that reserves or excepts the coal or coal bed methane from the surface of the land also excepts or reserves:

(1) the expressed rights and privileges set forth in subsection (a)(1) through (a)(4); and

(2) any other rights naturally reserved or excepted from the character of the instrument in law.

SECTION 22. IC 32-23-7-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 10. No surface right or any other right pertaining to coal bed methane and naturally flowing from the character of any instrument in law may be exercised if the exercise of the right:**

(1) compromises in any way the safety of current miners of coal; or

(2) has the potential to compromise in any way the safety of miners who might mine coal in the future.

SECTION 23. IC 32-23-7-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 11. (a) If ownership of coal bed methane is separate from ownership of coal, no surface right or any other right pertaining to coal bed methane and naturally flowing from the character of any instrument in law may be exercised without the consent of the coal owner, a person who files an affidavit with respect to a commercially minable coal resource under IC 14-37-7-8, and the coal mine operator if exercising the right:**

C  
O  
P  
Y



1 (1) results in; or  
 2 (2) has the potential to result in the future in;  
 3 any diminution of a commercially minable coal resource in  
 4 Indiana.

5 (b) For purposes of subsection (a), the use of any or a  
 6 combination of the following is presumed to be among the activities  
 7 that result in diminution of a commercially minable coal resource:

8 (1) Hydrofracturing the coal seam.

9 (2) Horizontal drilling in the coal seam.

10 (3) Any other technology that disturbs the integrity of either  
 11 or both of the following:

12 (A) The coal seam.

13 (B) The strata surrounding the coal seam.

14 (c) An application for a permit to drill into or through one (1)  
 15 or more coal seams for the purpose of testing or producing coal  
 16 bed methane must be accompanied by:

17 (1) certification by affidavit of the applicant that upon diligent  
 18 inquiry, including reference to:

19 (A) the record of filings maintained by the department and  
 20 made by coal owners and lessees under IC 14-8-2-47; and

21 (B) publicly available records pertaining to thickness and  
 22 depth of coal;

23 the activities of the applicant do not and will not result in  
 24 diminution of a commercially minable coal resource; or

25 (2) written consent of the coal owner or lessee authorizing the  
 26 drilling.

27 (d) If the alternative in subsection (c)(1) is used by the applicant,  
 28 an applicant who provides a certification under subsection (c)(1)  
 29 must submit with the permit application proof that written notice  
 30 of the permit application has been received by the owner and, if  
 31 applicable, the lessee of the coal through which drilling is  
 32 proposed.

33 (e) The owner and, if applicable, the lessee of the coal through  
 34 which drilling is proposed may object to the issuance of the permit  
 35 on the basis of diminution of a commercially minable coal resource.

36 (f) The department of natural resources shall prescribe by rule  
 37 the procedure for objection under subsection (e), including a  
 38 reasonable deadline for initiating the objection.

39 SECTION 24. IC 32-23-7-12 IS ADDED TO THE INDIANA  
 40 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 41 [EFFECTIVE JULY 1, 2009]: **Sec. 12. (a) This chapter does not limit**  
 42 **the rights of parties to contract with regard to a coal bed methane**

C  
O  
P  
Y



estate in land affecting lands in Indiana:

(1) to the extent permitted by; and

(2) in a manner consistent with;

the nature of the estate in law as specified under this chapter.

(b) Subject to subsection (c), this chapter declares the law of the state with regard to the rights of parties to contract concerning a coal bed methane estate in land affecting lands in Indiana after June 30, 2009.

(c) If it is judicially determined that the law that applies before July 1, 2009, differs from the law declared under subsection (b) to apply after June 30, 2009, the determination does not diminish or otherwise affect the application after June 30, 2009, of the law declared under subsection (b) to apply after June 30, 2009.

(d) This chapter does not affect the rights or powers of any commission, board, or authority constituted to regulate the coal bed methane industry in Indiana.

(e) The natural resources commission shall adopt rules under IC 4-22-2 to regulate coal bed methane production in accordance with sections 10 and 11 of this chapter.

SECTION 25. IC 32-23-7-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. (a) Except as provided in subsection (b), an instrument executed after June 30, 2009, that:

(1) affects land in Indiana; and

(2) is a grant, exception, or reservation of rights to coal; must include the coal bed methane estate in land.

(b) In an instrument executed after June 30, 2009, the coal bed methane estate in land may be separated from the coal estate in land by express provisions identifying the coal bed methane estate in land as separate from the coal estate in land.

(c) An instrument executed after June 30, 2009, that:

(1) affects land in Indiana; and

(2) is a grant, exception, or reservation of rights to:

(A) oil and gas; or

(B) gas;

may not include the coal bed methane estate in land.

C  
o  
p  
y

